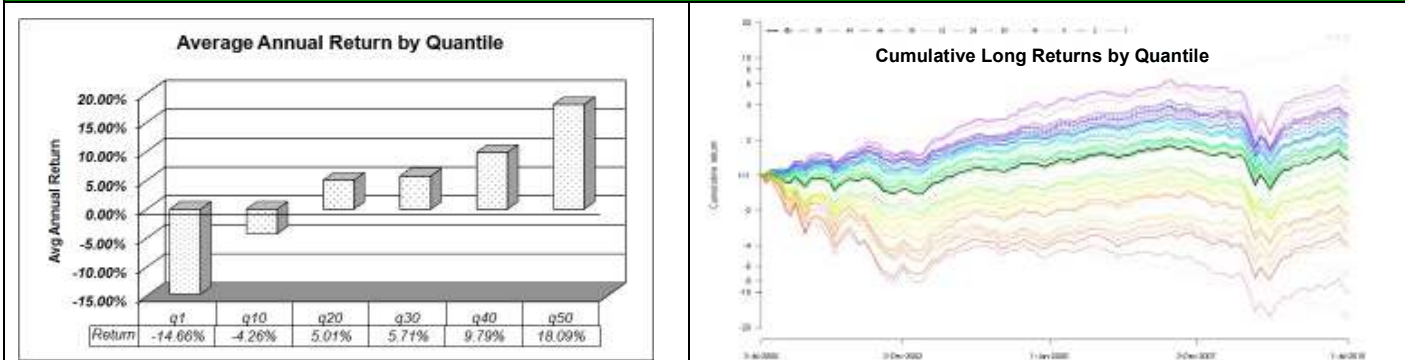


Sabrient VCU Strategy Summary: (with Dynamic Long/Short Weighting)

Monthly Rebalance; Constrained by Sector & Industry Limits (25%/12.5%); P >\$10 Longs, P >\$15 Shorts

Strategy Description	Portfolio Statistics vs. Index *																																																																																										
<ul style="list-style-type: none"> Test period is nearly 10 years, 7/1/2000 – 7/1/2010 Eligible universe starts with Sabrient's database of 5,000 stocks, then requires price > \$10 and no. of Wall Street analysts > 2 Strategy employs metrics for analyst consensus changes, GARP valuation, absolute growth, and a forensic accounting / governance Long Portfolio incorporates the top 50 stocks and Short Portfolio incorporates the bottom 50 stocks Portfolio is rebalanced monthly using closing prices on the first trading day of the month, with scoring based on the prior day's closing data (last trading day of prior month) Includes dividends and cash distributions, but no transaction costs No stop losses or technical trading signals for entry/exit timing Risk Management: Includes constraints on sector & industry concentrations (25% / 12.5%), plus Price >\$10 for longs, Price >\$15 for shorts (No trading volume threshold) Trend-following technical overlay: 70/30 long-biased (140% long / 60% short) when the SPY is above both its 50-day and 200-day simple moving average; short-biased (60% long / 140% short) when the SPY is below both its 50- and 200-day SMA, and neutral (100% long / 100% short) when it's between the two. 	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Dollar-Neutral Long/Short</th> <th>Top Quantile</th> <th>Bottom Quantile</th> <th>Long/Short Portfolio</th> <th>SPY Index</th> </tr> </thead> <tbody> <tr> <td>12-month Annualized return (%)</td> <td>27.6</td> <td>14.7</td> <td>8.2</td> <td>13.9</td> </tr> <tr> <td>24-month Annualized return (%)</td> <td>-3.3</td> <td>-12.9</td> <td>14.2</td> <td>-8.3</td> </tr> <tr> <td>10-year Annualized return (%)</td> <td>18.1</td> <td>-14.7</td> <td>33.5</td> <td>-2.0</td> </tr> <tr> <td colspan="5" style="text-align: center;">10-year Performance Stats:</td> </tr> <tr> <td colspan="5">Dates: 7/1/2000 - 7/1/2010</td> </tr> <tr> <td>Annualized return (%)</td> <td>18.1</td> <td>-14.7</td> <td>33.5</td> <td>-2.0</td> </tr> <tr> <td>Annualized volatility (%)</td> <td>28.1</td> <td>30.9</td> <td>22.0</td> <td>16.2</td> </tr> <tr> <td>Simple Sharpe ratio vs Rf = 3%</td> <td>0.52</td> <td>-0.56</td> <td>1.35</td> <td>-0.23</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Dynamic Long/Short w/ Trend-following Tech Overlay</th> <th>Top Quantile</th> <th>Bottom Quantile</th> <th>Long/Short Portfolio</th> <th>SPY Index</th> </tr> </thead> <tbody> <tr> <td>12-month Annualized return (%)</td> <td>27.6</td> <td>14.7</td> <td>21.6</td> <td>13.9</td> </tr> <tr> <td>24-month Annualized return (%)</td> <td>-3.3</td> <td>-12.9</td> <td>27.1</td> <td>-8.3</td> </tr> <tr> <td>10-year Annualized return (%)</td> <td>18.1</td> <td>-14.7</td> <td>42.8</td> <td>-2.0</td> </tr> <tr> <td colspan="5" style="text-align: center;">10-year Performance Stats:</td> </tr> <tr> <td colspan="5">Dates: 7/1/2000 - 7/1/2010</td> </tr> <tr> <td>Annualized return (%)</td> <td>18.1</td> <td>-14.7</td> <td>42.8</td> <td>-2.0</td> </tr> <tr> <td>Annualized volatility (%)</td> <td>28.1</td> <td>30.9</td> <td>29.5</td> <td>16.2</td> </tr> <tr> <td>Simple Sharpe ratio vs Rf = 3%</td> <td>0.52</td> <td>-0.56</td> <td>1.31</td> <td>-0.23</td> </tr> </tbody> </table>	Dollar-Neutral Long/Short	Top Quantile	Bottom Quantile	Long/Short Portfolio	SPY Index	12-month Annualized return (%)	27.6	14.7	8.2	13.9	24-month Annualized return (%)	-3.3	-12.9	14.2	-8.3	10-year Annualized return (%)	18.1	-14.7	33.5	-2.0	10-year Performance Stats:					Dates: 7/1/2000 - 7/1/2010					Annualized return (%)	18.1	-14.7	33.5	-2.0	Annualized volatility (%)	28.1	30.9	22.0	16.2	Simple Sharpe ratio vs Rf = 3%	0.52	-0.56	1.35	-0.23	Dynamic Long/Short w/ Trend-following Tech Overlay	Top Quantile	Bottom Quantile	Long/Short Portfolio	SPY Index	12-month Annualized return (%)	27.6	14.7	21.6	13.9	24-month Annualized return (%)	-3.3	-12.9	27.1	-8.3	10-year Annualized return (%)	18.1	-14.7	42.8	-2.0	10-year Performance Stats:					Dates: 7/1/2000 - 7/1/2010					Annualized return (%)	18.1	-14.7	42.8	-2.0	Annualized volatility (%)	28.1	30.9	29.5	16.2	Simple Sharpe ratio vs Rf = 3%	0.52	-0.56	1.31	-0.23
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Quantile Returns



Long/Short Portfolio Performance Summary: (Post-Internet Bubble) 7/1/2000 – 4/1/2010

Long/Short-1 Portfolio (50/50 - 100% Long / 100% Short)													
L/S	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2000							13.52%	-7.79%	2.35%	3.70%	22.54%	11.95%	52.40%
2001	1.23%	19.38%	22.19%	-17.76%	4.08%	4.15%	9.54%	11.93%	7.99%	-10.79%	1.68%	0.04%	58.16%
2002	11.22%	9.50%	1.74%	17.62%	8.37%	12.09%	-0.56%	2.45%	-4.95%	-5.80%	-3.15%	10.78%	73.27%
2003	6.15%	-2.87%	1.72%	4.63%	2.70%	3.91%	-1.06%	-5.83%	10.08%	5.38%	1.91%	3.73%	33.80%
2004	3.40%	2.76%	-0.35%	-4.13%	1.94%	0.59%	9.89%	0.38%	1.47%	-1.40%	5.83%	0.59%	22.29%
2005	6.22%	7.48%	0.22%	-1.43%	-1.53%	1.79%	1.76%	2.84%	-0.21%	-3.25%	4.13%	0.88%	19.98%
2006	3.27%	0.65%	2.42%	4.76%	1.35%	2.30%	3.51%	-2.56%	-1.18%	0.76%	2.34%	2.41%	21.70%
2007	-1.01%	3.19%	0.18%	6.96%	8.73%	1.23%	-4.61%	0.51%	-1.50%	-5.69%	9.13%	-0.02%	17.06%
2008	12.55%	8.73%	-4.30%	1.35%	4.27%	-4.70%	6.56%	-2.81%	-1.62%	-2.08%	-8.33%	17.54%	26.80%
2009	-2.59%	-8.06%	8.94%	13.51%	0.17%	1.11%	-3.01%	-0.13%	1.02%	0.86%	-2.50%	1.37%	9.42%
2010	5.07%	-0.77%	1.48%	-6.30%	6.12%	5.46%							10.96%
	Best month = 22.54%					Worst month = -17.76%					Avg Annual Return = 33.50%		
	Volatility = 22.06%												
	Simple Sharpe = 1.35												
(Note: Highlighted area indicates the forward testing period.)													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Avg Return
12-mo Trailing:	-3.01%	-0.13%	1.02%	0.86%	-2.50%	1.37%	5.07%	-0.77%	1.48%	-6.30%	6.12%	5.46%	8.24%
24-mo Trailing:	6.56%	-2.81%	-1.62%	-2.08%	-8.33%	17.54%	-2.59%	-8.06%	8.94%	13.51%	0.17%	1.11%	14.24%

Long/Short-2 Dynamic Portfolio (140/60, 100/100, or 60/140) based on 50 & 200 day moving average on SPY													
L/S	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2000							10.34%	-7.79%	-2.36%	6.44%	33.12%	13.82%	60.21%
2001	-11.08%	19.38%	32.86%	-34.23%	4.08%	4.15%	14.35%	17.08%	21.66%	-19.39%	-4.26%	0.04%	26.46%
2002	11.22%	9.86%	-4.24%	16.37%	15.26%	17.67%	7.35%	4.35%	-2.92%	-7.72%	-3.15%	10.78%	98.83%
2003	9.99%	-0.16%	0.44%	-5.02%	12.59%	6.21%	1.56%	1.78%	9.50%	5.38%	4.70%	5.76%	65.47%
2004	4.87%	6.37%	0.18%	-4.13%	1.94%	3.00%	6.39%	0.38%	7.54%	-1.34%	13.94%	2.75%	49.21%
2005	5.42%	7.48%	-3.59%	-1.43%	-1.53%	2.81%	7.92%	2.24%	1.86%	-5.95%	4.13%	1.73%	22.07%
2006	7.76%	0.86%	4.30%	4.81%	-3.17%	2.30%	-2.01%	0.68%	-2.80%	4.50%	6.16%	1.72%	27.35%
2007	2.30%	1.10%	0.18%	6.96%	13.19%	-0.04%	-4.61%	0.51%	-1.50%	-5.09%	4.96%	-0.02%	17.92%
2008	13.25%	13.88%	-4.63%	-1.80%	4.27%	-4.70%	6.45%	-3.66%	-1.62%	16.19%	11.07%	-3.03%	51.55%
2009	-2.59%	5.23%	-8.41%	13.51%	0.17%	-1.39%	7.49%	0.58%	4.51%	-0.21%	-2.50%	5.43%	21.98%
2010	2.23%	-0.77%	1.48%	-2.70%	-4.30%	9.46%							4.93%
	Best month = 33.12%					Worst month = -34.23%					Avg Annual Return = 42.84%		
	Volatility = 29.52%												
	Simple Sharpe = 1.31												
	SPY Correlation = -0.431												
(Note: Highlighted area indicates the forward testing period.)													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Avg Return
12-mo Trailing:	7.49%	0.58%	4.51%	-0.21%	-2.50%	5.43%	2.23%	-0.77%	1.48%	-2.70%	-4.30%	9.46%	21.60%
24-mo Trailing:	6.45%	-3.66%	-1.62%	16.19%	11.07%	-3.03%	-2.59%	5.23%	-8.41%	13.51%	0.17%	-1.39%	27.13%